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PART IV

Section—1-B.

ACTS OF PARLIAMENT AND ORDINANCES OF THE PRESIDENT WHICH APPLY TO MYSORE.

NOTIFICATION.

No. L.D. 2639—Legis. 2-50-47, Bangalore, dated 9th December 1950.

Ordered that the following The Allianz UND Stuttgarter Life Insurance Bank (Transfer) Act, 1950 (Act No. LXII of 1950), published in the *Gazette of India*, Part II, Section I, dated the 2nd December 1950, be republished in the *Mysore Gazette*, for general information.

By Order of His Highness the Maharaja,

B. S. PUTTASWAMY,
Legal Remembrancer and
Secretary to Government,
Law Department.

272 1426

Received Assent on 1st December 1950.

THE ALLIANZ UND STUTTGARTER LIFE INSURANCE BANK (TRANSFER) ACT, 1950.

(LXII OF 1950).

AN

ACT

to provide for the transfer of the business of the Allianz Und Stuttgarter Life Insurance Bank, Limited, to the United India Life Assurance Company, Limited, and for matters connected therewith.

BE it enacted by Parliament as follows:—

1. **Short title and commencement.**—(*1*) This Act may be called the Allianz Und Stuttgarter Life Insurance Bank (Transfer) Act, 1950.

(*2*) It shall be deemed to have come into force on the 1st day of September, 1950.

2. **Definitions.**—In this Act, unless the context otherwise requires,—

(*a*) "the Act" means the Insurance Act, 1938 (IV of 1938);

(*b*) "transferee company" means the United India Life Assurance Company, Limited, having its registered office in Madras;

(*c*) "transferor company" means the Allianz Und Stuttgarter Life Insurance Bank, Limited.

3. **Transfer of assets and liabilities of the transferor company to the transferee company.**—All the assets and liabilities of the transferor company which relate to or arise out of the life insurance business of the transferor company carried on immediately before the commencement of this Act by Messrs. A. F. Ferguson & Company, Chartered Accountants of Bombay, under the Defence of India Rules shall, by virtue of this Act, stand transferred to and vest in the transferee company, subject to the provisions of this Act and to the terms and conditions specified in the First Schedule.

4. **Effect of transfer of assets and liabilities to transferee company.**—(*1*) Every contract of life insurance, entered into between the transferor company and the holder of any life policy before the commencement of this Act, shall have effect as from such commencement as if the transferee company had been a party to the contract instead of the transferor company, and for any reference (however worded and whether express or implied) to the transferor company there were substituted as respects anything falling to be done on or after such commencement, a reference to the transferee company, and with such other modifications as may be necessary to transfer rights, liabilities and obligations under the contract so far as unperformed, from the transferor company to the transferee company:

Provided that no provision in any such contract for the payment of any bonus, profit, interest or dividend on any life policy shall have effect against the transferee company except on the basis of an actuarial valuation of the business of the transferor company made after the commencement of this Act and to the extent, if any, that may be recommended by the actuary.

(*2*) For the removal of doubts it is hereby declared that notwithstanding any decision or rule of law to the contrary, no contract of life insurance as is referred to in sub-section (*1*) shall be deemed to have been dissolved merely by reason of the declaration that war had broken out between the Government of the United Kingdom and Germany.

5. Cessation of payment of commission to past insurance agents.—(*1*) Notwithstanding anything to the contrary contained in the Act or in any other law for the time being in force or in any contract, all contracts of agency entered into before the 31st day of July, 1942, between an insurance agent, a special agent or a chief agent (by whatever name called) and the transferor company, and any appointment made before the said date whereby remuneration is payable to any person in the form of commission or bonus, shall be deemed to have been terminated with effect from the said date and no commission or bonus due to such agent or person, whether on renewal premiums or otherwise, shall be payable to him in respect of any life policies procured by or through him before the said date.

(*2*) Notwithstanding anything to the contrary contained in any law for the time being in force, no compensation shall be payable to any person for the termination, in pursuance of this section, of any contract of agency or other appointment.

6. Provision for facilitating transfer.—The Central Government may, by order notified in the Official Gazette, make such incidental, supplementary or consequential provisions as, in its opinion, are necessary to secure that the transfer of the assets and liabilities of the transferor company to the transferee company are fully and effectively carried out, and in particular and, without prejudice to the generality of such power, provision may be made by order notified in the Official Gazette—

(*a*) for adapting the terms of contracts entered into between the transferor company and any other person before the commencement of this Act, so as to conform to the changes consequent on the passing of this Act in the circumstances in which the contracts will fall to be performed after such commencement;

(*b*) for requiring any person concerned with the keeping of the register of the holders of any securities or investments now transferred to the transferee company, to forthwith register the transferee company therein and to issue to the transferee company the appropriate documents of title relating to the securities or investments transferred to it;

(*c*) for the continuation by or against the transferee company of any legal proceedings pending by or against the transferor company.

7. Power to give directions.—(*1*) If any difficulty arises in giving effect to the provisions of this Act, the Controller of Insurance may, with the approval of the Central Government give such directions to the transferee company as he may consider necessary and the transferee company shall be bound to comply with such directions.

(*2*) If the transferee company fails to comply with any direction given to it under sub-section (*1*) it shall be deemed to have committed an offence punishable under section 102 of the Act.

8. Repeals.—(*1*) The Allianz Und Stuttgarter Life Insurance Bank (Transfer) Ordinance, 1950 (XXIV) of 1950 is hereby repealed.

(*2*) The notifications specified in the Second Schedule shall cease to have effect on the commencement of this Act, except as respects things done or omitted to be done before such commencement.

THE FIRST SCHEDULE

(*See* section 3)

Terms and conditions relating to the transfer of the business of the transferor company.

1. The transferee company shall maintain a separate account in which shall be shown the business of the transferor company which has been transferred to it and

a separate valuation thereof shall be made from time to time with a view to ascertaining whether profits appertaining to such business and divisible among holders of life policies exist.

2. The transferee company shall be bound to pay in full all claims arising out of any life policy issued by the transferor company and remaining to be paid at the commencement of this Act or falling to be paid at any time after such commencement.

3. Notwithstanding anything contained in notification No. 168-I(23)-W/41 of the Government of India in the Commerce Department, dated the 27th day of June, 1942, the transferee company shall be liable to make good in respect of every policy of life insurance which had fallen due for payment before the commencement of this Act the difference between the amounts actually paid to the holder thereof by or on behalf of the transferor company in pursuance of the said notification and the full amount which would have been payable if that notification had not been issued.

4. If the transferee company recovers or receives any money from outside India which relate to the assets now transferred to the transferee company the same shall be applied by the transferee company for the benefit of the life policies of the transferor company issued in India.

THE SECOND SCHEDULE

(*See* section 8).

Repeals

Notification No. and Date	Contents of Notification
1. No. 288-OR/39, dated the 14th December, 1939 of the Government of India, Defence Co-ordination Department.	Authorising Messrs. A. F. Ferguson and Company, Chartered Accountants of Bombay, to carry on the business of the transferor company under rule 113A of the Defence of India Rules, since continued in force by the Trading with the Enemy (Continuance of Emergency Provisions) Act, 1947 (XVI of 1947).
2. No. 168-I(2)-W/39, dated the 22nd February, 1941, of the Government of India, Department of Commerce.	Granting exemptions to Messrs. A. F. Ferguson and Company from the operation of certain provisions of the Act.
3. No. 168-I(23)-W/41, dated the 27th June, 1942, of the Government of India, Department of Commerce.	Exempting Messrs. A. F. Ferguson and Company from the obligation imposed by any contract of insurance in respect of so much thereof as is in excess of 80 per cent of the liability arising therefrom.

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